

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC**

In the Matter of:

Request for Review)	
of the Decision of the)	
Universal Service Administrator by)	
)	File No. SLD-517299
School District of Philadelphia)	
BEN Number: 126161)	
)	CC Docket No: 02-6
Schools and Libraries Universal Service)	
Support Mechanism)	
)	
Wireline Competition Bureau)	

ADDEMDUM TO REQUEST FOR REVIEW

Section 54.719(c) of the Commission's rules provides that any person aggrieved by an action taken by a division of the Universal Service Administrative Company (USAC) may seek review from the Commission.¹ The School District of Philadelphia (SDP) hereby appeals the current action taken by USAC in the following case.

On April 13, 2007, SDP received Commitment Adjustment Letters (COMAD) on the District's Priority One Application, Form 471 #517299. At the time, the District noticed that one FRN on Application 517299 was not reduced nor did the District receive a COMAD for that one FRN.² On May 4, 2007, SDP filed a Request for Review with the Commission regarding the COMAD decisions the District had received to that date.³

¹ 47 C.F.R. § 54.719(c).

² The FRN which was not reduced by the SLD on April 13, 2007, was FRN 1442248.

³ A copy of the ECFS Comment Submission Page is attached as Exhibit A.

On May 17, 2007, the Schools and Libraries Division (SLD) sent SDP a COMAD and reduced the funding commitment for FRN 1442248.⁴ At this time, the District would respectfully request the FCC also consider the reduction to FRN 1442248 when considering the appeal already on file. This funding commitment reduction involves the same issues and reasoning already appealed to the FCC on May 4th.

SUMMARY

The School District of Philadelphia respectfully requests the FCC consider the reduction made to FRN 1442248 when considering the May 4, 2007 appeal already on file. In the event the Commission determines the FRNs on Application 517299 should be returned to the original funding commitment amounts, SDP would also request that the FCC order USAC to return the funding commitment for FRN 1442248 back to its original amount.

Respectfully,



John D. Harrington
Funds For Learning, LLC
On Behalf of The School District of Philadelphia

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Edmond, OK 73003
405.341.4140
jharrington@fundsforlearning.com

⁴ A copy of the COMAD for FRN 1442248 is attached as Exhibit B.

**Federal Communications Commission**

**The FCC Acknowledges Receipt of Comments From ...
School District of Philadelphia
...and Thank You for Your Comments**

Your Confirmation Number is: '200754240938 '

Date Received: May 4 2007

Docket: 02-6

Number of Files Transmitted: 1

DISCLOSURE

This confirmation verifies that ECFS has received and accepted your filing. However, your filing will be rejected by ECFS if it contains macros, passwords, redlining, read-only formatting, a virus or automated links to source documents that is not included with your filing.

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updated 12/11/03



Schools & Libraries Division

Notification of Commitment Adjustment Letter

Funding Year 2006: 7/01/2006 - 6/30/2007

May 17, 2007

**Robert Westall
PHILADELPHIA SCHOOL DISTRICT
440 NORTH BROAD STREET, SUITE 404
PHILADELPHIA, PA 19130**

Re: Form 471 Application Number: 517299
Funding Year: 2006
Applicant's Form Identifier: SP06-47101
Billed Entity Number: 126161
FCC Registration Number: 0011810272
SPIN Name: Verizon Pennsylvania Inc.
Service Provider Contact Person: Robert Kannegieser

Our routine review of Schools and Libraries Program funding commitments has revealed certain applications where funds were committed in violation of program rules.

In order to be sure that no funds are used in violation of program rules, the Universal Service Administrative Company (USAC) must now adjust your overall funding commitment. The purpose of this letter is to make the adjustments to your funding commitment required by program rules, and to give you an opportunity to appeal this decision. USAC has determined the applicant is responsible for all or some of the program rule violations. Therefore, the applicant is responsible to repay all or some of the funds disbursed in error (if any).

This is NOT a bill. If recovery of disbursed funds is required, the next step in the recovery process is for USAC to issue you a Demand Payment Letter. The balance of the debt will be due within 30 days of the Demand Payment Letter. Failure to pay the debt within 30 days from the date of the Demand Payment Letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." Please see the "Informational Notice to All Universal Service Fund Contributors, Beneficiaries, and Service Providers" at <http://www.universalservice.org/fund-administration/tools/latest-news.aspx#083104> for more information regarding the consequences of not paying the debt in a timely manner.

TO APPEAL THIS DECISION:

If you wish to appeal the Commitment Adjustment Decision indicated in this letter, your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and e-mail address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify the date of the Notification of Commitment Adjustment Letter and the Funding Request Numbers you are appealing. Your letter of appeal must include the Billed Entity Name, the Form 471 Application Number, Billed Entity Number, and FCC Registration Number (FCC RN) from the top of your letter.
3. When explaining your appeal, copy the language or text from the Notification of Commitment Adjustment Letter that is the subject of your appeal to allow the SLD to more readily understand your appeal and respond appropriately. Please keep your letter specific and brief, and provide documentation to support your appeal. Be sure to keep copies of your correspondence and documentation.
4. Provide an authorized signature on your letter of appeal.

If you are submitting your appeal electronically, please send your appeal to appeals@sl.universalservice.org using your organization's e-mail. If you are submitting your appeal on paper, please send your appeal to: Letter of Appeal, Schools and Libraries Division, Dept. 125 - Correspondence Unit, 100 South Jefferson Road, Whippany, NJ 07981. Additional options for filing an appeal can be found in the "Appeals Procedure" posted in the Appeals Area of the SLD section of the USAC web site or by contacting the Client Service Bureau at 1-888-203-8100. We strongly recommend that you use the electronic appeals options.

While we encourage you to resolve your appeal with the SLD first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC). You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD section of the USAC web site, or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

FUNDING COMMITMENT ADJUSTMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Adjustment Report (Report) for the Form 471 application cited above. The enclosed Report includes the Funding Request Number(s) from your application for which adjustments are necessary. Immediately preceding the Report, you will find a guide that defines each line of the Report.

The SLD is also sending this information to your service provider(s) for informational purposes. If USAC has determined the service provider is also responsible for any rule violation on these Funding Request Numbers, a separate letter will be sent to the service provider detailing the necessary service provider action.

Please note that if the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount. Please note the Funding Commitment Adjustment Explanation in the attached Report. It explains why the funding commitment is being reduced. Please ensure that any invoices that you or your service provider submit to USAC are consistent with program rules as indicated in the Funding Commitment Adjustment Explanation. If the Funds Disbursed to Date amount exceeds your Adjusted Funding Commitment amount, USAC will have to recover some or all of the disbursed funds. The Report explains the exact amount (if any) the applicant is responsible for repaying.

Schools and Libraries Division
Universal Services Administrative Company

cc: Robert Kannegieser
Verizon Pennsylvania Inc.

A GUIDE TO THE FUNDING COMMITMENT ADJUSTMENT REPORT

A report for each E-rate funding request from your application for which a commitment adjustment is required is attached to this letter. We are providing the following definitions for the items in that report.

FUNDING REQUEST NUMBER (FRN): A Funding Request Number is assigned by the SLD to each individual request in your Form 471 once an application has been processed. This number is used to report to applicants and service providers the status of individual discount funding requests submitted on a Form 471.

SERVICES ORDERED: The type of service ordered from the service provider, as shown on Form 471.

SPIN (Service Provider Identification Number): A unique number assigned by the Universal Service Administrative Company to service providers seeking payment from the Universal Service Fund for participating in the universal service support mechanisms. A SPIN is also used to verify delivery of services and to arrange for payment.

SERVICE PROVIDER NAME: The legal name of the service provider.

CONTRACT NUMBER: The number of the contract between the applicant and the service provider. This will be present only if a contract number was provided on your Form 471.

BILLING ACCOUNT NUMBER: The account number that your service provider has established with you for billing purposes. This will be present only if a Billing Account Number was provided on your Form 471.

SITE IDENTIFIER: The Entity Number listed in Form 471, Block 5, Item 22a. This number will only be present for "site specific" FRNs.

ORIGINAL FUNDING COMMITMENT: This represents the original amount of funding that SLD had reserved to reimburse you for the approved discounts for this service for this funding year.

COMMITMENT ADJUSTMENT AMOUNT: This represents the amount of funding that SLD has rescinded because of program rule violations.

ADJUSTED FUNDING COMMITMENT: This represents the adjusted total amount of funding that SLD has reserved to reimburse for the approved discounts for this service for this funding year. If this amount exceeds the Funds Disbursed to Date, the SLD will continue to process properly filed invoices up to the new commitment amount.

FUNDS DISBURSED TO DATE: This represents the total funds that have been paid to the identified service provider for this FRN as of the date of this letter.

FUNDS TO BE RECOVERED FROM APPLICANT: This represents the amount of improperly disbursed funds to date as a result of rule violation(s) for which the applicant has been determined to be responsible. These improperly disbursed funds will have to be recovered from the applicant.

FUNDING COMMITMENT ADJUSTMENT EXPLANATION: This entry provides an explanation of the reason the adjustment was made.

**Funding Commitment Adjustment Report for
Form 471 Application Number: 517299**

Funding Request Number:	1442248
Services Ordered:	TELCOMM SERVICES
SPIN:	143001398
Service Provider Name:	Verizon Pennsylvania Inc.
Contract Number:	689/F06
Billing Account Number:	215-019-5934
Site Identifier:	126161
Original Funding Commitment:	\$122,400.00
Commitment Adjustment Amount:	\$1,440.00
Adjusted Funding Commitment:	\$120,960.00
Funds Disbursed to Date:	\$0.00
Funds to be Recovered from Applicant:	\$0.00
Funding Commitment Adjustment Explanation:	

After a thorough review, it was determined that the funding commitment for this request must be reduced by \$1,440.00. On the original Form 471 the applicant was approved at an 85 percent discount. FCC rules indicate that the level of poverty shall be measured by the percentage of the student enrollment that is eligible for a free or reduced price lunch under the national school lunch program or a federally-approved alternative mechanism. During the course of an appeals review it was determined that the applicant is only eligible to receive an 84 percent discount. This determination was based on the use of the Yancey Study for Parkway Center City and Parkway Northwest to validate their discount for the funding year 2006 application. This study's eligibility expired with the 2005 funding year thus the discount for the two entities was reset to 20%. For these two entities, using 0 students eligible for a free or reduced price lunch under the national school lunch program or a federally-approved alternative mechanism resulted in the shared discount reduction. Accordingly, the commitment has been reduced by \$1,440.00 ($\$144,000.00 \times (85\% - 84\%)$) and if recovery is required, USAC will seek recovery from the applicant.

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CHECK TO ENSURE TIMELY PROCESSING**